

Decision 19-04-031 April 25, 2019

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In The Matter of the Application of San Diego Gas & Electric Company (U902G) and Southern California Gas Company (U904G) for a Certificate of Public Convenience and Necessity for the Pipeline Safety & Reliability Project.

Application 15-09-013

**DECISION GRANTING COMPENSATION TO
PROTECT OUR COMMUNITIES FOUNDATION
FOR SUBSTANTIAL CONTRIBUTION TO DECISION 18-06-028**

Intervenor: Protect Our Communities Foundation	For contribution to Decision (D.)18-06-028
Claimed: \$185,396.37	Awarded: \$185,396.37
Assigned Commissioner: Liane M. Randolph	Assigned ALJ: Colette E. Kersten

PART I: PROCEDURAL ISSUES:

<p>A. Brief description of Decision:</p>	<p>D. 18-06-028 denies Applicant Southern California Gas & Electric Company's ("SDG&E") and Southern California Gas Company's ("SoCalGas") joint application for a Certificate of Public Convenience and Necessity for the Proposed "Pipeline Safety and Reliability Project" (also known as Line 3602 Pipeline); reclassification of Gas Pipeline 1600 from transmission service to distribution service and associated reduction of pipeline operating pressure from 512 pounds per square inch gauge (psig) to 320 psig; and redefinition of the existing California Public Utilities Commission's Reliability Criterion consistent with Decision 06-09-039.</p> <p>The Decision also orders, within three months of the Decisions, Applicant to submit to the Commission's Safety and Enforcement Division (SED) a California Public Utilities Code Section 958 hydrostatic test or replace plan pertaining to the existing 49.7 mile Line 1600 corridor within three months of the Decision; SED initiate a study of California pipeline operators' definitions of transmission and distribution pipelines to determine whether there is a need for the Commission to provide further definitions than those provided under 49 Code of Federal Regulations, Part 92, §192.3; Applicant prepare and submit a selection proposal to SED, and a list of at least three qualified independent auditors/bidders willing to perform the required independent audit of Line 1600 records.</p>
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812¹:

	Intervenor	CPUC Verification
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	09/22/16	Verified
2. Other specified date for NOI:	n/a	
3. Date NOI filed:	10/20/2016	Verified
4. Was the NOI timely filed?		Yes
Showing of eligible customer status (§ 1802(b) or eligible local government entity status (§§ 1802(d), 1802.4)):		
5. Based on ALJ ruling issued in proceeding number:	I.17-02-002; R.13-12-010/R.16-02-007	I.17-02-002
6. Date of ALJ ruling:	10/26/17; 9/26/2014 / 6/10/16	10/26/2017
7. Based on another CPUC determination (specify):	D. 18-07-034	
8. Has the Intervenor demonstrated customer status or eligible government entity status?		Yes
Showing of “significant financial hardship” (§1802(h) or §1803.1(b)):		
9. Based on ALJ ruling issued in proceeding number:	R.13-12-010; R.16-02-007	Verified
10. Date of ALJ ruling:	9/26/14; 6/10/16	Verified
11. Based on another CPUC determination (specify):	D. 18-07-034	OIR 2/11/2016 and ALJ email 7/10/2016
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D. 18-06-028	Verified
14. Date of issuance of Final Order or Decision:	6/26/18	Verified
15. File date of compensation request:	8/1/18	08/02/2018
16. Was the request for compensation timely?		Yes

¹ All statutory references are to California Public Utilities Code unless indicated otherwise.

C. Additional Comments on Part I:

#	Intervenor's Comment(s)	CPUC Discussion
4, 8, 12	<p>POC is eligible for intervenor compensation based upon rebuttable presumption of eligibility and because it has previously met and continues to meet the Commission's long-standing definitions of eligibility.</p> <p>Participation in this proceeding posed a substantial financial hardship for POC because the economic interest of POC's constituents and supporters is small in comparison to the costs of POC's effective participation. Pub. Util. Code § 1802(h). POC represents the interests of a specific constituency: San Diego area residential and small business ratepayers, including ratepayers in smaller communities whose interests are often not adequately represented in Commission proceedings. POC represents the interests of this constituency and POC's supporters within this constituency. POC's constituents and supporters are SDG&E ratepayers.</p> <p>SDG&E sought approval for a project that would have cost ratepayers at least \$639 million. POC's goal in this proceeding was to make a substantial contribution that would prevent an increase in rates for POC's constituents and supporters, by demonstrating the exiting 16-inch SDG&E pipeline (Line 1600) was safe, reliable, and adequate, and that SDG&E's proposed 36-inch pipeline was primarily intended to serve parent company Sempra Energy's proposed liquefied natural gas (LNG) export terminal south of San Diego in Baja California, Mexico. POC's contribution to this proceeding is summarized in Attachment 4 to this request. Attachment 4 contains four one-page handouts summarizing the points made in POC's briefs. These handouts were provided to the Commissioners at oral argument in this proceeding on May 29, 2018.</p> <p>While the total sum that SDG&E sought was large,</p>	Noted

	<p>for any individual POC constituent or supporter, the costs of participating individually would have far outweighed the individual impacts of the proposed rate increases. Thus, POC has shown significant financial hardship and should be allowed to recover its costs in this proceeding.</p> <p>POC sought a ruling on its significant financial hardship in its notice of intent to claim intervenor compensation, timely filed in this proceeding on October 20, 2016. Pub. Util. Code § 1804(a). The ALJ has not issued a preliminary hardship ruling.</p> <p>In R.13-12-010, POC was ruled to have a significant financial hardship and that it had customer status, based on the same grounds that support POC's request here. <i>See</i> R.13-12-010, ALJ's Ruling on POC's Amended Showing of Significant Financial Hardship (9/26/14). That proceeding and ruling carried into R.16-02-007, where the ALJ confirmed by email on June 10, 2016 that POC could rely on the eligibility ruling from R.13-12-010.</p> <p>POC has been found in D.18-07-034 Decision Granting Compensation To Protect Our Communities Foundation For Substantial Contribution To Decision 17-11-033 to have "demonstrated that there is a valid rebuttable presumption of eligibility to claim compensation, pursuant to § 1804(b)."</p>	
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<p>06-028 at p. 24 quoting POC Opening Brief at 20.)</p> <p>POC “cite[s] the low probability of an unplanned outage on Line 3010.” (D.18-06-028 at p. 25.)</p> <p>“POC observes, “There are no redundant pipelines in the San Diego Region, and yet, Applicant has testified that there are no examples of a significant disruption to core customers because of a curtailment in the San Diego area.” (POC Opening Brief at 20.)</p> <p>POC also rebuts the Applicants claim that events that occurred on June 15, 2015 and July 1, 2015 demonstrate the value of redundancy in a gas system. As POC points out, “The Aliso Canyon Risk Assessment Report shows that CAISO [California Independent System Operator] and LADWP [Los Angeles Department of Water and Power] were able to modify operations including the use of demand response to meet all electricity demand on those days.” (POC Opening Brief at 24 referring to POC-9.) POC also claims that the Applicants chose to do work on Line 4000 during high demand peak days.</p>		
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<p>As soon as the work was completed and schedule for work was adjusted, there were no further gas curtailments related to that work.” (D.18-06-028 at pp. 27-28.) POC Opening Brief at pp. 20-25. POC Reply Brief at pp.3-4, 8-9. POC PD Comment at pp.4-5 POC PD Reply Comments at pp. 3-4 Oral Argument at pp. 1444-1454.</p>		
<p>1. No Need. The Application should be denied because there is no need for Line 3602: Line 3602 would have excess capacity far beyond demand need.</p> <p>“The difference in the system capacity the pipeline would add and the pipeline capacity itself lays bare the extent to which the Applicant seeks to take advantage of ratepayers as Applicant seeks to build a pipeline with four times the capacity it intends to provide to the SDG&E system. . . While the Application refers numerous times to how the pipeline will expand the system’s capacity, it does not provide the basic information as to the capacity of the pipeline itself, stating only “The</p>	<p>“In summary, based on the previous market analysis, the Applicants have not justified why a 200 MMcfd capacity increase at tremendous expense is needed to meet a relatively small reduction of 25 MMcfd if the MAOP of Line 1600 is lowered. This reduction can be met through various supply alternatives subject to verification via the results of a RFO. This expense is particularly concerning in an era of declining demand. Line 3602 is unnecessary to attain the objective of operational flexibility to manage stress conditions. It is unnecessary to attain the objective of minimizing dependence on a single pipeline. And it is unnecessary to attain the objective of implementing safety requirements for existing Line 1600, which will be separately addressed in the second half of this decision. For the above reasons, Applicants’ request for a CPCN for the proposed Line 3602, and any proposal that is greater than 16 inches in diameter or involves installing a pipeline to</p>	<p>Verified</p>

<p>Proposed Project will expand the capacity of the SDG&E gas transmission system by 200 MMcfd. The Scoping Memo posed a direct question on this point: <i>Scoping Memo Issue 8: “How much additional capacity would be provided by the new 36- inch pipeline under various pressures and system configurations, and what volumes would be transported and from where?”</i> In its answer to this question in its supplemental testimony, Applicant dodges the question and does not provide a figure for the capacity of the line.⁴⁷ In its rebuttal testimony, despite quoting SCGC’s accurate criticism that the Applicant has been careful to not say how much additional capacity could be added with Line 3602, Applicant still does not provide this information.⁴⁸ Applicant previously applied for a CPCN for another 36-inch natural gas pipeline in the Southern California region. According to Applicant in the proceeding for the North-South Pipeline, that 36-inch, 63-mile pipeline would have permitted the delivery of 800 mmcfd.⁴⁹ The proposed 36-inch Line 3602 pipeline capacity can thus be</p>	<p>replace Line 1600 that increases demand-forecast capacity above the current capacity of 595 MMcfd (FOF 10), without specific and detailed justification, is denied under either a “status quo” scenario for Line 1600 at its current psig of 520 psig (65 MMcfd) or “future” scenario for Line 1600, if the pressure is lowered to 320 psig (40 MMcfd). The proposed project is not needed at this time, and the Commission has instructed Applicants to hydrotest Line 1600 in compliance with the requirements of Pub. Util. Code § 958.” (D.18-06-028 at p. 39.)</p> <p>“Third, from a policy perspective, with the narrower focus on Line 1600 in mind, in the Commission’s view, the proposed Line 3602 is a separate project from PSEP remediation of an existing pipeline, regardless of whether remediation is through pressure testing, replacing in whole or in part, derating, or abandoning. For example, in this decision, we determined that the notion that the Proposed Project at 200 MMcfd (or more) is designed for a capacity gap of approximately 25 MMcfd supply on Line 1600 and thus is a mismatch.” (D.18-06-028 at p. 107.)</p> <p>Proposed Decision Revision 1 changed references to 200 MMcfd to “200 MMcfd increase in capacity” or “200 MMcfd (or more).” E.g. “The Applicants state that the purpose of the proposed 200 MMcfd Line 3602 pipeline and 200 MMcfd increase in system capacity.” (D.18-06-028 at p. 4.)</p>	<p>Verified</p> <p>Verified</p>
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<p>assumed to be not the 200-300 mmcf/d asserted by the Applicant, but at least equivalent to the North-South Pipeline. With a capacity of 800 mmcf/d, four times the amount Applicant asserts will be used for the SDG&E system, Line 3602 would have the capacity to serve as a dominant source of supply for the ECA LNG export terminal.” (POC Opening Brief at pp. 13-14.)</p> <p>POC Reply Brief at pp. 10-11.</p> <p>POC Comments on PD at pp. 14-15.)</p> <p>Oral Argument at pp. 1444-1454.</p>		
<p>1. No Need. The Application should be denied because there is no need for Line 3602: Contrary to mandates on decarbonization.</p> <p>“POC endorses Sierra Club’s detailed, fact based determination that California’s decarbonization efforts are a reason that this project is not needed and why Line 3602 will become a stranded asset if it is built.” (D.18-06-028 at p. 14.)</p> <p>“In response to the Applicants’ purported claims, POC states, “[t]he Applicant has failed entirely to take into</p>	<p>“Reputable gas demand forecasts including the California Gas Report, CEC 2016- 2027 Demand Forecast, and the Applicants’ most recent gas forecast predict the decrease of natural gas over time. However, evaluation of available capacity cannot be disassociated from reputable gas forecasts. Other fine tuning considerations include how SB 350 energy efficiency savings enter into the equation, gas-fired generation demand versus import capability, long-term impact of California’s decarbonization laws, and even impact of local laws. (For example, City of San Diego has set a goal of 100% renewable energy by 2035 and is working toward achieving this objective.) The Applicants’ forecasted natural gas demand, although declining, may still be optimistically high given that they</p>	<p>Verified</p>

<p>account the requirements of California's decarbonization efforts to decrease reliance on fossil fuels and the greenhouse gases their consumption produces." (POC Opening Brief at 21.) POC does not believe that the time frame to evaluate Line 1600 should be expedited. "With a 20-year time frame to evaluate Line 1600, and design criteria met indefinitely by existing infrastructure, Applicant has provided no justification why they need a new, redundant pipeline on an expedited 5-year schedule." (POC Opening Brief at 21.) Referring to decreasing gas demand over the next 20 years, "the efforts underway to decrease greenhouse gas emissions; to increase energy efficiency, demand response, and renewable generation; and to improve disadvantaged communities by creating a cleaner grid are and will continue to decrease reliance of the electricity sector on natural gas. Adding redundant fossil fuel infrastructure is in conflict with these state mandates." (POC Opening Brief at 25.)" (D.18-06-028 at p. 28.)</p> <p>POC Opening Brief at pp. 9-10.</p>	<p>do not fully quantify the impact of California's decarbonization laws (e.g., SB 32, SB 350) and timing of compliance. Due to the timing of this decision and lack of availability of some of the most recent reports (e.g., 2018 IEPR, 2018 California Gas Report, SDG&E Biannual Forecast), we have incomplete information regarding what the future of natural gas supplies looks like. In this decision, we use the most recent available long-term gas peak demand forecast-2016. (SDGE-12 at 84 and 159.)" (D.18-06-028 at p. 17.)</p> <p>"In summary, using the Applicants' demand forecast figures, the Proposed Project is not needed according to the Commission's existing reliability standard for natural gas planning, and the Applicant has not made a convincing case to make an exception in this case. As SCGC suggested, we encourage the Applicants to identify and propose potential reliability solutions that are more scaled to the scope of the potential problem and consistent with California climate objectives that reduce the risk of an electric outage of Line 3010 or other gas imports." (D.18-06-028 at p. 33.)</p>	<p>Verified</p>
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POC Reply Brief at pp. 2-3.		
<p>1. No Need. The Application should be denied because there is no need for Line 3602: Line 3602 would be catalyst for future increased gas use and is a proposed incremental gas demand by subsidiaries of Sempra.</p> <p>“Line 3602 will be a catalyst for future infrastructure development and increased gas use through the off system delivery (OSD) sales of a huge amount of excess capacity the Applicant has planned into the Line 3602 pipeline design.” (POC Opening Brief at 11.)</p> <p>POC believes that the Utilities’ have not been forthright about the real purpose for Line 3602 and argues the true motivation for the Proposed Project is to fund a massive new pipeline to facilitate the export of American natural gas to Mexico through the planned ECA LNG export facility. POC claims that the SDG&E witness pleaded “willfully ignorant” about the ECA LNG facility; but POC points to the public SDG&E Form 10-K for the period ending 12/31/16 which states that Sempra LNG & Midstream, IEnova</p>	<p>“[I]f the Commission revisits the determination that Line 3602 is needed, at ratepayer and/or shareholder expense, this section summarizes the current evidence. It is important to note that the ECA LNG project is in its early developmental stages. Further, the implementation of Line 3602, in tandem with other physical upgrades in the area, <i>could</i> help facilitate exports of natural gas from Baja California to international markets.” (D.18-06-028 at p. 40.)</p>	Verified

<p>(subsidiary of Semptra) and a subsidiary of Petroleos Mexicanos (or PEMEX the Mexican state-owned oil company) entered into a project development agreement for the joint development of the proposed liquefaction project at IEnova's existing Energia Costa Azul regasification facility in Mexico. (POC Opening Brief at 15-16.) POC also questions other business motives pertaining to the Applicants' use of "other systems" instead of using Line 3602 for transport of gas to the ECA LNG export facility. "One would have to suspend disbelief to accept that Semptra subsidiaries would prefer to pay OSD fees to third parties for import of natural gas from the United States to Mexico for the ECA LNG export terminal, instead of paying those same fees to the Applicant, Semptra subsidiaries, on a line that Semptra subsidiaries gain profit by building." (POC Opening Brief at 18-19.)" (D.18-06-028 at p. 42.)</p> <p>POC Opening Brief at pp. 11-20.</p> <p>POC Reply Brief at pp. 6-13.</p> <p>POC PD Comment at pp. 12-14.</p>		
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Oral Argument at pp. 1444-1454.		
<p>2. Not in Compliance.</p> <p>Line 1600 not in compliance with the law, requires pressure testing to be brought into compliance</p> <p>“SCGC, POC, and ORA emphasize that at 512 psig, Line 1600 is not in compliance with Pub. Util. Code § 958. . . . POC agrees with SCGC but questions why the Applicant has taken so long to implement Pub. Util. Code § 958 for Line 1600. The “Applicant has and continues to violate the law by failing to pressure test Line 1600, and the Commission mandated lowering of the MAOP to 512 psig does not change this fact.” (POC Opening Brief at 29.) According to POC, the Applicant has not justified its failure to pressure test Line 1600 since it was ordered to do so by the Commission.” (POC Opening Brief at 29.) POC states that this application does not toll the statutory requirement and urges the Commission to order that Line 1600 be tested.” (D.18-06-028 at p. 54.)</p> <p>POC Opening Brief at p. 29</p>	<p>“However, as the Applicants and parties alike point out, Line 1600 as a Transmission Pipeline is not demonstrably in compliance with Pub. Util. Code § 958 until it achieves traceable, verifiable, and complete post construction pressure test records or is replaced.” (D.18-06-028 at p. 55.)</p> <p>“COL 14 [Added]: <i>The Commission’s requirement to have a hydrotest plan for Line 1600 is a necessary measure for compliance with Pub. Util. Code § 958.</i>” (D.18-06-028 at p. 112 and 125.)</p> <p>“Therefore, consistent with GO 112-F Reference, Title CFR, Part 192—Subpart J and NTSB recommendations, Pub. Util. Code 958 and D.11-06-017,53 below are the Hydrotest Minimum Requirements for 49.7 miles of Line 1600 which now operates at 512 psig. The 49.7 miles line includes the 4.7 mile segment of the Line 1600 corridor that was not covered in the Applicant’s original application but which was included in the PEA’s description of the “no project alternative.”” (D.18-06-028 at p. 90.)</p>	<p>Verified</p> <p>Verified</p>
2. Not in Compliance.	“Therefore, consistent with GO 112-	Verified

<p>Line 1600 not in compliance with the law, requires pressure testing to be brought into compliance: Entire line must be addressed.</p> <p>“POC generally agrees with the SED Opinion but is concerned that SED omitted from its opinion critical information regarding . . . Applicant’s plan to operate the line at both transmission and distribution pressures for both the 45-mile segment and an additional 4.7 mile segment that was not in the original application.” (D.18-06-028 at pp. 64-65.)</p> <p>“The SED Opinion demonstrates that SED has not fully taken into account the Applicant’s plans to operate Line 1600 at both transmission and distribution pressures and that Applicant has not clearly stated, on the record, what its exact plans for all of Line 1600 are. . . However, Applicant has now made the following contradictory statement in its Draft PHMSA Package, “SDG&E’s and SoCalGas’ Application to the CPUC proposes to install a new transmission pipeline and make the following changes to the northern 45 miles of Line 1600 between Rainbow Metering Station and Kearny Villa Station.</p>	<p>F Reference, Title CFR, Part 192— Subpart J and NTSB recommendations, Pub. Util. Code 958 and D.11-06-017,53 below are the Hydrotest Minimum Requirements for 49.7 miles of Line 1600 which now operates at 512 psig. The 49.7 miles line includes the 4.7 mile segment of the Line 1600 corridor that was not covered in the Applicant’s original application but which was included in the PEA’s description of the “no project alternative.”” (D.18-06-028 at p. 90.)</p>	
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<p>As SDG&E has stated that the CPUC's decision regarding the northern 45 miles of Line 1600 would guide its approach to the southern section of Line 1600 for approximately 5 miles, please assume for purposes of this request that the following changes would apply to all of Line 1600."</p> <p>POC is not aware of any place in the record that SDG&E has stated that "CPUC's decision regarding the northern 45 miles of Line 1600 would guide its approach to the southern section of Line 1600 for approximately 5 miles." While this statement is vague and ambiguous, it seems to imply that Applicant will operate the entire the entire pipeline at either distribution or transmission line pressures. The Applicant needs to clarify its exact plans for all of Line 1600 and SED needs to take this into account in its assessment." (POC Supplemental Brief at pp. 7-10.)</p> <p>POC Reply Brief at pp. 17-18.</p> <p>POC Supplemental Brief at p. 9.</p> <p>POC PD Comment at p. 8.</p> <p>POC PD Reply Comment at p. 3.</p>		
<p>2. Not in Compliance. Line 1600 not in compliance with the law, requires pressure testing</p>	<p>"As to safety objectives, D.14-06-007 and successor decision D.15-12-020 require the Applicants to pressure test and potentially replace Line 1600 as</p>	<p>Verified</p>

<p>to be brought into compliance: Derating Line 1600 and construction of Line 3602 would not comply with federal, state, and Commission requirements and this Application is an impermissible collateral attack on D.14-06-007.</p> <p>“Both ORA and POC argue that the Utilities must pressure test Line 1600 according to the Commission’s PSEP Decision, D.14-06-007.” (D.18-06-028 at p. 57.)</p> <p>“POC states, “[t]he Commission should not vote as a part of this or any other process to modify the PSEP Decision Tree.” (POC Opening Brief at 37.) “This Application is an impermissible collateral attack on D.14-06-007.” (POC Opening Brief at 37.) It argues that the Applicants’ actions suggest that the Commission should ignore the Decision Tree or consider it modified. It further states that if the Applicants seek to modify D.14-06-007 so that they are not in violation of the PSEP, the Applicants can initiate a PFM and plead its case. “Likely viewing its odds better in this forum, Applicant has chosen to circumvent the</p>	<p>part of the approved PSEP Decision Tree. In D.14-06-007, SoCalGas/SDG&E were <i>not</i> seeking approval either to replace Line 1600 in the existing right-of-way, or to build a new pipeline, like Line 3602, that lies outside of the existing Line 1600 right-of-way.¹⁷ Instead, inconsistent with the Applicants’ implementation plan approved in those decisions, the Applicants now seek to derate to distribution service, but not pressure test and replace the <i>existing</i> Line 1600. (In response to protests, the Applicants now concede that Line 1600 can be taken out of service to conduct pressure testing without replacing that line.)” (D.18-06-028 at p. 8.)</p> <p>“In this decision, we agree that no modification to the PSEP Decision Tree is needed in order to approve the pressure testing or derating of Line 1600 while rejecting the proposal to construct Line 3602. . . . As to pressure testing, there is a current indication that Line 1600 can be taken out of service with manageable customer impacts.” (D.18-06-028 at p. 59.)</p> <p>“In general, according to Rule 16.4, the PFM process should be used if one wants a change to an issued decision. Further, as POC points out, Pub. Util. Code § 1709 states: “In all collateral actions or proceedings, the orders and decisions of the commission which have become final shall become conclusive.” Any challenge should be “direct” (as opposed to “collateral”), and made within statutory limits. Unless ordered by the Commission, the filing of a PFM does not stay or excuse compliance with the order of the</p>	<p>Verified</p> <p>Verified</p>
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<p>modification process and make this application on the poorly veiled grounds of pipeline safety.” (POC Opening Brief at 38.) It points out that the Applicants have completed the vast majority of required pipeline safety testing and upgrades and there is no reason to believe that the process has not been working.” (D.18-06-028 at p. 58.)</p> <p>“[T]his Application presents a collateral attack on D.14-06-007. As that decision was the method by which the Commission implemented state and federal requirements for pipeline safety, those laws will be violated as well, should this Application be approved.” (POC Opening Brief at p. 36.)</p> <p>POC Opening Brief at p. 29, 33-38.</p> <p>POC Reply Brief at pp. 14, 18-19</p> <p>POC PD Comment at pp. 5-7, 14.</p> <p>Oral Argument a pp. 1444-1454.</p>	<p>decision to be modified. (Rule 16.4 (h).)” (D.18-06-028 at pp. 59-60.)</p> <p>“The Applicants and SCGC do find a rare point of agreement when they state that the PSEP Decision Tree should not be changed. However, this is primarily because they both acknowledge that the Applicants propose to derate Line 1600 to distribution service, which ordinarily means it does not need to comply with PSEP. Both POC and ORA believe that Line 1600 should be pressure tested according to D.14-06-77. So any deviation from this suggests a violation of the Decision Tree.” (D.18-06-028 at p. 60.)</p>	<p>Verified</p>
<p>3. No safety justification. There is no safety justification for a new Line 3602 or to derate Line 1600: Applicant has declared Line 1600 safe at transmission pressure and there is no credible evidence to the contrary</p>	<p>“From a safety standpoint, if Line 1600 remains at 512 psig, then the line can be periodically pigged with ILI and be subject to TIMP standards that may lessen the risk associated with potential Line 1600 rupture. On the other hand, if the MAOP of Line 1600 is only 320 psig, then it will not be possible to pig the line . . .” (D.18-06-028 at p. 80.)</p>	<p>Verified</p>

<p>“ORA and POC concur with SED’s Opinion and that the line should be treated as a transmission line even if it is derated.” (D.18-06-028 at p. 64.)</p>	<p>“As POC and other parties point out, Line 1600 is subject to mechanical damage regardless of whether it is a transmission line or distribution line at varying operating pressures.” (D.18-06-028 at p. 80.)</p>	Verified
<p>“POC generally agrees with the SED Opinion but is concerned that SED omitted from its opinion critical information regarding the inability to subject distribution lines to in-line inspections and the Applicant’s plan to operate the line at both transmission and distribution pressures for both the 45-mile segment and an additional 4.7 mile segment that was not in the original application.” (D.18-06-028 at p. 64.)</p>	<p>“From a reliability standpoint, if Line 1600 is maintained at 512 psig, then there would be no short-term capacity issue due to the approximately 25 MMcfd capacity reduction on Line 1600. (See Section 6, “Short- and Long-term Otay Mesa Alternative Supply.”) On the other hand, if the pressure of Line 1600 is immediately lowered without alternative capacity in place, then there is the potential for curtailments under a 1-in-10 cold day event until 2023 when gas demand is forecast to decrease below 570 MMcfd.” (D.18-06-028 at p. 80.)</p>	Verified
<p>“In contrast, POC questions why Line 1600 should be derated and concludes that Line 1600 should not be derated. According to POC, “Applicant has concluded, based upon its own ILI and Direct Examination (DE) inspections, that Line 1600 is safe to operate at transmission pressures of 512 psig or 640 psig. There is no evidence that derating Line 1600 to 320 psig would make the line more safe.” (POC Opening</p>	<p>“In weighing the tradeoffs between reducing pressure versus conducting in-line inspections at higher pressure, we agree with POC that leaving Line 1600 in transmission service at 512 psig is a reasonable outcome in the short-term.” (D.18-06-028 at p. 81.)</p>	Verified

<p>Brief at 29-30.) POC is very concerned that “periodic internal inspection with ILI tools would likely no longer be possible if the Line 1600 MAOP is reduced to 320 psig and Applicant does not intend to do any further ILI inspections on Line 1600 at 320 psig.” (POC Opening Brief at 30.) Therefore, POC contends that the risk associated with running it as a distribution line would increase due to not being able to “pig” the line. Based on specific “issues” or criteria, “undisputed facts,” and a detailed analysis of “advantages to operation at 512 psig or 320 psig,” POC argues that Line 1600 should be maintained at 512 psig for the foreseeable future. (See Summary Chart in POC Reply Brief, Attachment A at 1.) Among other things, and assuming Line 3602 will not be built, POC believes that it is advantageous to keep Line 1600 at 512 psig for the following reasons: 1) it allows periodic ILI to assure the Line 1600 does not rupture; 2) no additional capacity would be needed under any condition if both Line 3010 and Line 1600 are in service at 512 psig; 3) operation of the</p>		
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<p>entirety of Line 1600 at 512 psig would avoid Line 1600 derating costs of approximately \$29.5 million. POC's recommendation assumes the possibility that PHMSA could grant a waiver of hydrotesting based on the pre-2011 MAOP of 800 psig on Line 1600. This also assumes that the unverified cost estimate of hydrotesting Line 1600 at \$112.9 million will be verified in Phase Two of this proceeding." (D.18-06-028 at pp. 76-77.) POC Opening Brief at pp. 29-32. POC Reply Comments at pp. 14-18. POC PD Comments at pp. 7-10 POC PD Reply Comment at pp. 1-3. POC Supplemental Brief at pp. 2-7. Oral Argument at pp. 1444-1454.</p>		
<p>3. No safety justification. There is no safety justification for a new Line 3602 or to derate Line 1600: Applicant has declared Line 1600 safe at transmission pressure and there is no credible evidence to the contrary including SED opinion.</p> <p>See POC Motion To Strike Safety And Enforcement Division Advisory Opinion.</p>	<p>SED Advisory Opinion is relied upon on the D.18-06-028 without language regarding derating of Line 1600 that was struck from the Opinion by ALJ ruling in response to motion by POC. (See D.18-06-028 at pp. 61-64.)</p>	<p>Verified</p>

<p>Oral Argument at pp. 1398-1399.</p>		
<p>3. No safety justification. There is no safety justification for a new Line 3602 or to derate Line 1600: Hook cracks are not a safety concern for Line 1600</p> <p>“POC expresses less concern about the long-term integrity of the line. “Hook cracks are not a concern for the safety of Line 1600 and it should be permitted to stay in service and there is no evidence that more frequent testing is needed. The Applicant’s inspection reports are abundantly clear on this point.” (POC Opening Brief at 39.) It points out, “[a]ll analysis confirms known hook cracks are safe for operation at an MAOP of 640 psig within the established 7-year reassessment interval.” (POC Opening Briefs at 39 citing UCAN-10 at 1 (Post Assessment Report for the 2012-2015 ILI of SDG&E Pipeline 1600, Pipeline Integrity – Transmission Integrity & Applicant’s, February 16, 2017 (Redacted)). POC concludes that the “Applicants’ analysis shows, in fact, that hook cracks should not present</p>	<p>“Based on parties’ comments and sworn testimony, it is reasonable to assume that Line 1600’s recent reductions in pressure from 800 psig to 640 psig to 512 psig provide adequate safety margins for now. We agree that continuous monitoring, including the use of multiple assessment methods including internal inspection tools, pressure tests, direct assessment and other technology tests according to 49 CFR, Part 192, Subpart O, § 192.937 (c) for HCAs will determine the integrity of Line 1600 while it remains in transmission service.” (D.18-06-028 at p. 85.)</p> <p>“Pipeline vintage or age alone should not be the deciding factor in determining how long a pipeline should remain in service. According to reputable industry studies, new pipelines also pose risks. The hook cracks are resident anomalies of the manufacturing process of electric flash welded longitudinal seams utilized by a single pipe manufacturer A.O. Smith. These stable manufacturing defects do not present an immediate threat unless they interact with other known risks such as corrosion or other integrity threats. Therefore, it is impractical to predict the remaining life of an old buried pipeline or rely on arbitrary time horizons (e.g., 50 years or 20 years) without knowing the actual threats from an integrity assessment and calculate the life based on the extent of threats and other factors. Even with additional information,</p>	<p>Verified</p> <p>Verified</p>

<p>a problem for Line 1600 for several magnitudes longer than seven years and thus inspection intervals of over 150 years are appropriate.” (POC Opening Brief at 39.) Applicants’ Witness Rosenfeld indicated that the vintage of the line doesn’t automatically make it unfit for service. The manufacturers of the A.O. Smith practiced hydrostatic pressure testing to a high percentage of the SMYS early on. Despite the Applicants’ formal assurances about the integrity of the line, “Applicant attempts to use hook cracks as evidence that Line 1600 is risky and should thus be derated to somehow decrease this risk.” (POC Opening Brief at 40.) POC alleges that Applicants are attempting to instill fear in the Commission about the safety of the line.” (D.18-06-028 at p. 83.) POC Opening Brief at pp. 39-42. POC Reply Brief at p. 22.</p>	<p>engineering estimates should not be exclusively relied on to make professional judgments. For example, third-party excavations and earth movements are serious time independent threats that are very difficult to predict.” (D.18-06-028 at p. 86.)</p>	
<p>4. Should Pressure Test. It is feasible, reasonable, cost-effective, and prudent to pressure test Line 1600 and return to transmission service.</p> <p>“In essence, POC believes it is feasible, reasonable, cost-effective and prudent</p>	<p>“From a feasibility standpoint, if Line 1600 remains a transmission line with an MAOP of 512 psig, Applicants have confirmed that hydrotesting is feasible.” (D.18-06-028 at p. 80.)</p> <p>“From a cost standpoint, it is important to note that unverified costs of hydrotesting a transmission line at a cost of \$112.9 million is 1/6</p>	<p>Verified</p> <p>Verified</p>

<p>to pressure test Line 1600 and return it to transmission service at 512 psig.” (D.18-06-028 at p. 77.)</p> <p>“POC states that [i]t is absolutely feasible, reasonable, cost-effective and prudent to pressure test Line 1600 and return it to transmission service without any changes to the SDG&E gas system. Furthermore, such action is required by the Public Utilities Code and Commission orders. (POC Opening Brief at 39.)” (D.18-06-028 at p. 88.) POC Opening Brief at p. 39 POC Reply Brief at pp. 20-22. POC Supplemental Brief at p. 10. POC PD Comments at pp. 11, 14. POC PD Reply Comment at p. 5. Oral Argument at pp. 1444-1454.</p>	<p>the cost of proposed Line 3602 installation at an estimated cost of \$623 million. If Line 1600 is derated to 320 psig, then the costs of derating Line 1600 are approximately \$29.5 million.” (D.18-06-028 at p. 81.)</p> <p>“In the original application, Applicants stated that hydrotesting was not practical or feasible. Later in the proceeding, they state that it is possible but costly at approximately \$ 112.9 million (direct costs), with a portion of testing to occur in high consequences areas. The results of pressure testing is one major factor to consider when ascertaining how long Line 1600 should remain in service. Therefore, as discussed in the following Section, Applicants must submit a hydrostatic pressure test or replacement plan consistent with Pub. Util. Code § 958.” (D.18-06-028 at p. 86.)</p>	<p>Verified</p>
<p>4. Should Pressure Test. It is feasible, reasonable, and prudent to pressure test Line 1600 and return to transmission service: There are no special limitations on pressure testing.</p> <p>“According to POC, “[t] here are no limitations to</p>	<p>“The requirements of hydrostatic pressure testing plans have been fully vetted and mandated since 2011 <i>even if</i> pipelines segments failed and were replaced And there is ample evidence that hydrotesting has been successfully applied to older pipelines in multiple utility territories in California with good success. Hydrostatic testing provides SED and the operator with information about</p>	<p>Verified D.18-06-028 at p. 89-90.</p>

<p>pressure testing a pipeline that prevent the Applicant from pressure testing Line 1600. The Applicant has safely pressure A.15-09-013 ALJ/CEK/jt2/lil - 89 - tested many existing transmission systems in its system with no harm to the public.” (POC Opening Brief at 42.)” (D.18-06-028 at pp. 88-89.)</p> <p>“POC argues that there is no significant evidence to conclude there are limitations with pressure testing and that work should proceed without delay.” (D.18-06-028 at p. 89.)</p> <p>POC Opening Brief at pp. 42-47.</p> <p>POC Reply Brief at p. 20.</p> <p>Oral Argument at pp. 1444-1454.</p>	<p>the adequate safety margin at the time of the test even though this test is not a determining factor of potential risks and costs to ratepayers of testing the current 69-year old Line 1600. Over time, the operator may opt for additional hydrostatic tests or other direct assessment methods for added safety assurance.⁵² Unanticipated issues and events could add to the cost of hydrotesting and these costs are not included in the cost estimate and contingency costs. (UCAN Opening Comments on PD at 4.)</p> <p>These issues should be resolved within the rubric of existing CPUC institutionalized processes and proceedings including PSEP and General Rate Cases.” (D.18-06-028 at pp. 88-89.)</p>	
<p>Revisions to Proposed Decision</p> <p>The Proposed Decision was revised two times and this includes revisions directly responsive to POC’s comments on the Proposed Decision.</p> <p>Capacity of Line 3602.</p> <p>“The Applicant’s statements regarding the capacity of Line 3602 were also misleading; Applicant never provided any information on the inherent capacity potential of Line 3602, only estimates of the nominal</p>	<p>Capacity of Line 3602. Proposed Decision Revision 1 changed references to 200 MMcfd to “200 MMcfd increase in capacity” or “200 MMcfd (or more).” For example the PD was revised as follows: “The Applicants state that the purpose of the proposed 200 MMcfd Line 3602 pipeline and 200 MMcfd increase in system capacity.” (PD Revision 2 at p. 4; D.18-06-028 at p. 4.)</p> <p>CEQA Not Needed for Denied Project. “Second, according to 14 CCR § 15270, “CEQA does not apply to projects which a public agency rejects or disapproves.” Because this decision has denied a</p>	<p>Verified</p> <p>Verified</p>

<p>SDG&E system capacity increase with Line 3602 online. (POC Reply Brief at pp. 10-11.) The PD obliquely acknowledges that SDG&E's stated capacity is inaccurate: "The notion that the Proposed Project at 200 MMcfd (or more) is designed for a deficit of 25 MMcfd supply on Line 1600, is a mismatch" but does sufficiently explain the important reference to "or more." (PD at p. 14.) POC pushed Applicant to state the actual potential capacity of Line 3602 but the Applicant only dodged the issue, instead providing information only as to the capacity for the system. (See Applicant Opening Brief at p. 70.) Applicant's refusal to provide the pipeline capacity obscures the fact that there would have been significant excess capacity on Line 3602 thus creating a potential for use of that excess capacity for transport of natural gas to the ECA LNG export facility at the ratepayers expense. (POC Reply Brief at pp. 10-11.) Line 3602 was proposed at the same diameter as Applicant's North- South Pipeline that was denied by the Commission in 2016, which had a capacity of 800 MMcfd.</p>	<p>CPCN for the proposed 36-inch Line 3602 pipeline and any proposal designed to bring Line 1600 into compliance with Pub. Util. Code § 958 that involves installing a pipeline to replace Line 1600 that increases system capacity above the current capacity of 595 MMcfd (FOF), it is not necessary to conduct a Phase Two of this proceeding to continue CEQA work. The Commission has directed that this work cease. While the underlying CEQA analysis may be retained and repurposed, this analysis is not necessary to bring Line 1600 in compliance with Pub. Util. Code § 958." (D.-18-06-028 at pp. 106-107.)</p> <p>Inability to pig at 320 psig. PD revised to state that it will not be possible to pig Line 1600 at 320 psig: "On the other hand, if the MAOP of Line 1600 is derated only 320 psig, then it May will not be possible to pig the line." (PD Revision 2 at p. 92; D.18-06-028 at p. 80.)</p>	<p>Verified</p>
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<p>(Ibid.) One can thus assume that the potential capacity of Line 3602 would have been at least 800 MMcfd and that Applicant's claims of an increase in 200 MMcfd systemwide capacity is misleading. (Ibid.)" (POC Comments on PD at pp. 14-15.)</p> <p>CEQA Not Needed for Denied Project. According to POC, "Applicant's fashioning of last-minute CEQA arguments in their opening comments on the PD and at May 29, 2018 oral arguments fail because there is no CEQA process for a denied project... Thus any purported due process right asserted by the Applicants does not exist and concomitantly, no denial of any due process occurred." (POC Opening Comments on the PD at 4.) POC further urges the Commission to disregard the Applicants' extra-record materials and arguments in their briefs and at oral argument. Because the proposed Line 3602 is denied at the outset of Phase One of the proceeding, no further CEQA phase would be needed in a second stage two of the proceeding.</p> <p>Inability to pig at 320 psig. "The PD's treatment</p>		
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<p>of the relative risk of decreasing Line 1600 to distribution pressures is contradictory and does not support the Conclusions of Law and calls for a change in the PD. The PD states, “if Line 1600 is derated, then it may not be possible to pig the line even though the Applicants reassure parties that they are willing to perform additional transmission integrity management program protocols rather than less stringent distribution integrity management protocols.” (PD at pp. 91-92.) The PD wrongly characterizes pigging a derated Line 1600 as a possibility; if Line 1600 were derated to distribution pressures, it could not and will not be subject to critical in-line safety inspections with the use of pigging. The Applicant has admitted that “it is not possible currently to perform conventional in-line testing at 325 psig” (Applicant Opening Brief, p. 9) and that it will not conduct further internal inspections if Line 1600 is derated to distribution service at an operating pressure of 320 psig (RT at 184:25 – 185:2 (Vol. 2.) (SDG&E - Schneider); POC Reply Brief at p. 15.) Thus, at the lower</p>		
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<p>pressure, the safety risk of Line 1600 potentially will increase, as the Applicant will no longer gather periodic information on the actual condition of the pipeline through in line inspection. (Ibid.) The statement that “if Line 1600 is derated, then it may not be possible to pig the line” should be changed to “if Line 1600 is derated, it will not be possible to pig the line.” (POC Comments on PD at p. 10.)</p>		
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B. Duplication of Effort (§ 1801.3(f) and § 1802.5):

	Intervenor's Assertion	CPUC Discussion
a. Was the Public Advocate's Office at the California Public Utilities Commission (Cal Advocates) a party to the proceeding? ²	Yes	Verified
b. Were there other parties to the proceeding with positions similar to yours?	Yes, on some positions	Verified
c. If so, provide name of other parties: ORA, Sierra Club, SCGC, TURN		Verified
d. Intervenor's claim of non-duplication: Where the parties had similar positions, POC, ORA, Sierra Club, SCGC, and TURN actively collaborated throughout this proceeding to avoid duplication to ensure adequate coverage of each key issue that were in agreement. This included coordinating testimony and some motions and briefs such as Joint Motion To Postpone Phase 1 Briefs Until After Testimony And Hearings, Amend The Scoping Memo To Focus On Line 1600 Safety, Require A Complete Application and Other Relief; and Joint Motion To Strike Sempra Phase 1 Testimony Regarding Cost Effectiveness Issues. The intervenors did not share all positions in this multi-faceted proceeding and thus did not jointly brief although POC made an effort to not duplicate arguments (See POC's Reply Brief at p. 2, POC PD Comments at p. 12.) For these reasons, the Commission should find no undue duplication of efforts by intervenors.		Noted

² The Office of Ratepayer Advocates was renamed the Public Advocate's Office at the California Public Utilities Commission (ORA), pursuant to Senate Bill No. 854, which the Governor approved on June 27, 2018.

PART III: REASONABLENESS OF REQUESTED COMPENSATION:**A. General Claim of Reasonableness (§ 1801 and § 1806):**

	CPUC Discussion
<p>a. Intervenor's claim of cost reasonableness:</p> <p>POC's advocacy, reflected in its request for compensation of \$185,396.37 was a significant component of the Commission's denial of the construction and operation of a \$639 million pipeline that would have been borne by ratepayers and disproportionately impacted the rural residents living alongside the pipeline route. The resources POC expended to secure this result is minimal relative to the resulting ratepayers' savings and the greenhouse gas emissions avoided with the denial of a CPCN for Line 3602.</p> <p>POC's costs are reasonable in light of the amount of time, resources, and effort POC put into the proceeding as a party.</p>	Noted
<p>b. Reasonableness of hours claimed:</p> <p>POC spent a reasonable and prudent amount of time on this matter, working diligently addressing highly complex and complicated issue in an efficient and expedient manner. All of the hours claimed in this request were reasonably necessary to the achievement of POC's substantial contributions, and no unnecessary duplication of effort is reflected in the attached timesheets.</p> <p>A single attorney, experienced in practice before the Commission, took the lead on drafting all filings with the support of a single expert who has participated in many Commission proceedings over many years. POC also utilized assistance of legal fellows. POC thus leveraged many years of experience and expertise while limiting its costs. Due to the convoluted and multi-faceted nature of this proceeding, a typical law firm would have expended significantly more resources than that spent by POC.</p> <p>POC spent more time on this proceeding than estimated in its NOI due to the fact that the proceeding became much more complicated and multi-faceted than expected. The Scoping Memo was issued after POC filed its NOI and the scope was far broader than POC had initially planned for with 18 multi-part issues with a total of 26 questions. The Scoping Memo was later amended with additional issues added. The multi-part Supplemental Scoping Memo Question A regarding the definition of Line 1600 as a distribution or transmission line at 320 psig and the implications of said definition greatly increased the complexity of the procedure. The Safety and</p>	Noted

Enforcement Division was asked to provide an advisory opinion on Question A and this resulted in an additional round of supplemental and supplemental reply briefs and necessitated POC filing a successful motion to strike part of the advisory opinion. POC did not have reason to expect at the time it filed its NOI that it would need to devote significant time and resources to Supplemental Question A in this fashion.

Supplemental Scoping Question B: “What limitations are there to pressure testing a pipeline? How long does pressure testing reasonably ensure fitness for service of a pipeline?” also became a critical issue in the proceeding for which POC devoted significant time and resources to addressing. POC did not have reason to expect at the time it filed its NOI that it would need to devote significant time and resources to Supplemental Question B.

The motions and discovery practice in this proceeding was far more time consuming than anticipated. For example, Applicant served POC and other intervenors with a burdensome, untimely, and otherwise inappropriate 25 multi-part question data request that necessitated intervenors and ORA spent significant time conferring on how to respond and ultimately jointly opposing the requests. Applicant then served POC with an additional 60 multi-part question data request that took significant time to respond to. Overall there were over 100 data requests exchanged, most with many multi-part questions, making for a much more voluminous record than POC has anticipated increasing the time needed to do a thorough review. There were also various motions to strike testimony and to make changes to the schedule that were not anticipated.

POC also spent more time on this proceeding than estimated in its NOI as a result of the advocacy of intervenor UCAN. UCAN unexpectedly took a complete departure from its position taken in the proceeding prior to POC’s intervention, ultimately advocating that “Line 1600 presents serious safety concerns and UCAN believes it should be removed from service as soon as practicable.” (UCAN Opening Brief at p. 7). This was not a position taken even by the Applicant and was completely unexpected. Given UCAN’s statements made earlier in the proceeding, such as “UCAN agrees with ORA’s analysis that Line 1600 is currently safe to operate” (UCAN Response in Support of ORA’s Motion to Dismiss at p. 2.), POC had no way of knowing at the time it completed its NOI that UCAN would completely change its position after the Scoping Memo was issued. In fact, POC expected that it would be able to work collaboratively with UCAN. Due to the unexpected departure in UCAN’s approach, POC spent significant, unexpected time and resources opposing UCAN’s position

<p>regarding Line 1600 as it was directly in opposition to POC's positions. (See, for example, POC Opening Brief at pp. 39-42.)</p> <p>Despite POC and other parties' best efforts to streamline cross examination, the evidentiary hearings also took many more days than expected with three more days added to the initial scheduled five.</p> <p>POC did its best to be efficient and expedient in its advocacy but, in fully engaging in this proceeding so as to adequately represent POC's interests in ratepayer and environmental protection, POC did spend more time than expected at the outset of the proceeding. Given the complexity of the proceeding and unexpected increase in time and resource needed to engage in the proceeding, the time spent by POC was reasonable.</p>	
<p>c. Allocation of hours by issue:</p> <ol style="list-style-type: none"> 1. No need for Line 3602 -35% 2. Line 1600 not in compliance with the law, requires pressure testing to be brought into compliance – 15% 3. No safety justification for new Line 3602 or to derate Line 1600 – 15% 4. Feasible, reasonable, prudent to pressure test Line 1600 and retain in transmission service – 15% 5. General procedure and case management – 20% 	Noted

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
April Sommer (Attorney)	2016	38	\$330	D.16-11-019	\$12,540.00	38.00	\$330.00	\$12,540.00
April Sommer (attorney)	2017	237	\$353	D.16-11-019 establishe d rate of \$330 for 2016 + 2.14% COLA for 2017 per ALJ-345 and 5% step	\$83,661.00	237.00	\$353.00	\$83,661.00

				increase as authorized in D.07- 01-009				
April Maurath Sommer (attorney)	2018	91	\$361	2017 rate of \$353 as explained above + 2.30% COLA for 2018 per ALJ-352	\$32,851.00	91.00	\$361.00	\$32,851.00
Bill Powers (expert)	2017	121.5	\$253	2014 rate of \$245 per D.14- 11-018 + 1.28% COLA for 2016 per ALJ-329 + 2.14% COLA for 2017 per ALJ-345	\$30,739.50	121.50	\$253.00	\$30,739.50
Bill Powers (expert)	2018	32	\$258	\$253 as explained above + 2.30% COLA for 2018 per ALJ-352.8	\$8,256.00	32.00	\$258.00	\$8,256.00
Caitlin Brown (Legal Fellow/La w Clerk)	2017	49.5	\$150	Comparab l e rates from 6/27/2018 Hourly Rate Chart per Cal.Pub.U til.Code 1806; Bio attached	\$7,425.00	49.50	\$150.00	\$7,425.00
Jamie Pang (Legal Fellow/La w Clerk)	2018	24	\$150	Comparab l e rates from 6/27/2018 Hourly Rate Chart per	\$3,600.00	24.00	\$150.00	\$3,600.00

				Cal.Pub.U til.Code 1806; Bio attached				
Catherine Enberg (Attorney)	2017	3	\$430	ALJ-345; D.08-04- 010 (1st 5% step increase)	\$1,290.00	3.00	\$430.00	\$1,290.00
Subtotal: \$180,362.50						Subtotal: \$180,362.50		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
April Maurath Sommer (attorney)	2018	22	\$180.50	2017 rate of \$353 as explaine d above + 2.30% COLA for 2018 per ALJ-352 ½ 2018 rate	\$3,971.00	22.00	\$180.50	\$3,971.00
Subtotal: \$3,971.00						Subtotal: \$3,971.00		
COSTS								
#	Item	Detail			Amount	Amount		
1.	July 2017 hearing travel	Airfare, transport			\$629.61	\$629.61		
2.	2018 oral argument travel	Airfare, transport			\$433.26	\$433.26		
Subtotal: \$1,062.87						Subtotal: \$1,062.87		
TOTAL REQUEST: \$185,396.37						TOTAL AWARD: \$185,396.37		
<p>*We remind all intervenors that Commission staff may audit the records and books of the intervenors to the extent necessary to verify the basis for the award (§1804(d)). Intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time are typically compensated at ½ of preparer’s normal hourly rate</p>								

ATTORNEY INFORMATION			
Attorney	Date Admitted to CA BAR ³	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation
April Sommer	2008	257967	No
Catherine Enberg	2002	220376	No

C. Attachments Documenting Specific Claim and Comments on Part III:

Attachment or Comment #	Description/Comment
1	Certificate of Service
2	Time Sheets Details & Categorization
3	Attorney, Advocate, and Expert Resumes

PART IV: OPPOSITIONS AND COMMENTS:

(Within 30 days after service of this Claim, Commission Staff or any other party may file a response to the Claim (*see* § 1804(c)))

A. Opposition: Did any party oppose the Claim?	No
B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?	Yes

FINDINGS OF FACT

1. Protect Our Communities Foundation has made a substantial contribution to D.18-06-028.
2. The requested hourly rates for Protect Our Communities Foundation's representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses are reasonable and commensurate with the work performed.

³ This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch> .

4. The total of reasonable compensation is \$185,396.37

CONCLUSION OF LAW

The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. Protect Our Communities Foundation shall be awarded \$185,396.37
2. Within 30 days of the effective date of this decision, San Diego Gas & Electric Company and Southern California Gas Company shall pay Protect Our Communities Foundation their respective shares of the award, based on their California-jurisdictional gas revenues for the 2017 calendar year, to reflect the year in which the proceeding was primarily litigated. If such data is unavailable, the most recent gas revenue data shall be used. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning October 17, 2018, the 75th day after the filing of Protect Our Communities Foundation's request, and continuing until full payment is made.

3. The comment period for today's decision is waived.

This decision is effective today.

Dated April 25, 2019, at San Francisco, California.

MICHAEL PICKER

President

LIANE M. RANDOLPH

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

Commissioners

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:	D1904031	Modifies Decision?	No
Contribution Decision(s):	D1806028		
Proceeding(s):	A1509013		
Author:	ALJ Kersten		
Payer(s):	San Diego Gas & Electric Company and Southern California Gas Company.		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change / Disallowance
Protect Our Communities Foundation	8/02/2018	\$185,396.37	\$185,396.37	N/A	N/A

Hourly Fee Information

First Name	Last Name	Attorney, Expert, or Advocate	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
April	Sommer	Attorney	\$330.00	2016	\$330.00
April	Sommer	Attorney	\$353.00	2017	\$353.00
April	Sommer	Attorney	\$361.00	2018	\$361.00
Jamie	Pang	Law Clerk/Legal Fellow	\$150.00	2018	\$150.00
Caitlin	Brown	Law Clerk/Legal Fellow	\$150.00	2017	\$150.00
Bill	Powers	Expert	\$253.00	2017	\$253.00
Bill	Powers	Expert	\$258.00	2018	\$258.00

(END OF APPENDIX)